

This document contains information
referring to Project 00870

643-0207
COPY 1 OF 3
March 31, 1959

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CONTAINS SENSITIVE
COMPARTMENTED INFORMATION

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Subject: Contract AF [redacted] - Facilities Requirements

Gentlemen:

Further to our discussions of March 12, 1959, the Contractor hereby requests assistance in the acquisition of test and manufacturing facilities required in the performance of the development portion of the program covered by subject contract.

Test Facilities (See Attachment I)

As more specifically described herein, the test facilities listed are necessary, first, because of the effects of temperature environment upon engine fuel and the fuel control system, second, because of security considerations, and third, because of the necessity of performing in 25 months a program essentially similar to another program originally proposed for completion in 34 months. Thus, considerations of time and capacity are of significant importance to the program.

Certain of the test facilities required are presently under contract with the Air Force under facilities expansion Contract No. [redacted]. Others which were previously requested of the Air Force are not now under contract. These have been designated Class 1 and 2 respectively. The capability provided by the listed facilities is necessary to the completion of the development contract, although not in all cases at the level of capacity contemplated by the Air Force Facilities. The items providing such surplus capacity (in terms of the development program requirements) have been so indicated in the attachments. All of the facilities have been identified to Contractor's Appendix A No. 967, copy attached, which, with the Basic Design Criteria Specification, also attached, provides a more complete description of the required test facilities.

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With regard to the Class 1 test facilities, that is, those currently covered by an active Air Force facilities contract, in order to procure such items in time to support the subject contract, expeditious handling will be required. As the Contracting Officer is aware, the requirements of the Air Force procurement instructions covering a facilities expansion are such that substantial amounts of time are sacrificed both to combine the administrative reviews of the various elements of facility expansion and to assure Government surveillance of each phase of the expansion. This sacrifice of time is not acceptable in the current case. Accordingly, in the case of work covered by the Air Force facilities contract, it is requested that steps be taken to permit prosecution of the work on the following basis:

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1. Each job is to be handled on an individual basis; thus, each job would have its own Phase I, II, III and IV schedules review and approval times.
2. Design is to be accomplished by the Contractor or outside designers as determined by the Contractor in order to obtain best speed.
3. The Air Force is to waive review of the program at AMC-ASC and OOAMA levels. The Air Force also is to assign a qualified engineering officer to work full time on the facilities project team. This representative is to have authority to approve drawings, specifications, purchase orders, etc., without higher echelon review.
4. The Contractor is relieved of bid advertising and soliciting three or more bids. Purchase orders are to be written for materials and equipment to specific firms for specific items.
5. The Contractor is allowed to hire general or other contractors using the type of contracts which can expedite their construction work to the maximum. Time and material and/or cost plus fixed fee contracts are of the type considered.
6. Field liaison and/or construction management is to be by the Contractor, not an outside A & E.
7. Thirty day expenditure notices to ACO are to be waived (AFPI 7-2703.2).
8. The Contractor is to have authority to travel and search for any or all GFE equipment immediately.

It is not the intent of the Contractor in the foregoing to avoid the proper and necessary participation by the Government in the facilities expansion. It is intended however, that such participation be on some basis which will eliminate administrative delays and promote the timely completion of the program.

Machine Tools (See Attachment II)

Because of the press of time under the subject program and the security aspects thereof, and, further, because of the sometimes advanced and exotic materials required in the solution of the technical problems, certain additional machine tools will also be required. Listing of the required machine tools is submitted in Attachment II. The total value of the required machine tools is estimated to be approximately \$675,000.00 of which it is believed approximately half are or will become available from Government reserves.



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The Government's early advice and assistance in procuring the facilities listed herein is respectfully requested.

Very truly yours,

MARQUARDT AIRCRAFT CO.



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Attachments.

Contract Administration

Attachment I - Test FacilitiesCLASS #1 - Items now under Contract

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Several of the items now being worked on under our facilities modernization contract are required for the performance of the development job. The rate at which these facilities are materializing under standard Air Force practice, however, is not adequate to our needs. We feel that the items could be made available when required provided several shortcuts can be effected. These shortcuts are summarized in the covering letter. The specific facility items involved are as follows:

Item	Approximate Cost	Contract Reference
1. Revision of propane system add lines and small pump.*	\$35,000.00	Schedule II-C-1, Item 1, Pg. 18 Addendum 1 to Appendix A No. 967 Supp. #2
2. Add substation in Accessories Facilities Area.	66,800.00	Schedule II-C-1, Item 3, Pg. 30 of Addendum 1 to Appendix A No. 967, Supp. #2
3. Install steam plant.*	163,800.00	Schedule II B, Item 1, Pg. 1 of Addendum 1 to Appendix A No. 967, Supp. #2

Asterisked items have somewhat greater capacity than strictly required under this program.

Note: Approximate costs shown above and below exclude an allowance of approximately 10% for design and/or continuation and design liaison.

CLASS #2 - Items proposed to be Added Under Contract AF

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Several items have been proposed to the Air Force as further improvements to the facility and have been disapproved. Of these items, several are needed for accomplishment of our development program. Two types of action are suggested to resolve this situation, first; establishment of an Air Force contract for the items involved and, second, provision for shortcutting standard practices as summarized in the covering letter. Items involved in this class are as follows:

Item	Approximate Cost	Proposal Reference
1. Improved cooling water system in Accessories Facilities Area.	\$35,000.00	Schedule II-C-1, Item 1 (1) Pg. 18 of Addendum 1 to Appendix A No. 967, Supp. #2
2. Revise vacuum system piping in Accessories Facilities Area	18,500.00	Schedule II-C-1, Item 1 (3) Pg. 18 of Addendum 1 to Appendix A No. 967, Supp. #2
3. Revise air supply system in Accessories Facilities Area.	42,000.00	Schedule II-C-1, Item 1 (4) Pg. 18 of Addendum 1 to Appendix A No. 967, Supp. #2
4. Central nitrogen system.*	108,100.00	Schedule II C-1, Item 2 Pg. 27 of Addendum 1 to Appendix A No. 967, Supp. #2

Attachment II - Machine Tools

An addition to our supply of machine tools will be required for the development portion of this job for three reasons:

1. In some cases, current machine tools are overloaded.
2. New materials being used will require different tools than those already in our shop.
3. Security practices will require some duplication of equipment (this contribution to the total list is relatively small.)

The total list and its value are consistent with our plans as expressed in mid '58 relative to a proposal for a similar propulsion system. Total estimated value of the tools involved (including installation costs) is about \$675,000.00. Of this, we estimate that at least half can be obtained from reserves. A thorough search may bring to light even more equipment being available in reserves, thereby reducing the requirement for additional expenditure. These costs have not been included in our development proposals in the past. A detailed list of the required tools is appended.

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